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## Thailand

### Grain and Feed

### Weekly Rice Price Update

**2004**

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**Report Highlights:**

Export prices for most grades of white rice remained unchanged due to quiet market demand, but prices for fragrant rice are on downward trend. The return of rice import policy is still being widely opposed.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Bangkok [TH1]  
[TH]

**Indicative Prices (Week Ending June 21):**

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	455	440	544	458	455	435	450	460	462
WR 100 B	234	232	243	234	234	235	230	235	234
PB 5%	240	240	261	243	246	250	235	245	245
WR 5%	230	227	236	231	230	229	225	230	229
WR 10%	228	222	231	227	228	227	220	226	226
WR 15%	226	220	226	226	226	225	215	223	223
WR 25%	223	217	224	225	223	221	210	220	220
WR 35%	222	215	221	222	222	219	205	218	218
A 1 SUP	215	210	221	215	212	214	210	214	213
A 1 SPEC	213	209	220	213	210	-	208	213	212
Source: Average actual prices received from exporters									

**Market Tone**

Export prices for most grades of non-fragrant rice remained unchanged, while fragrant rice prices continued to decline slightly. Trade sources reported that foreign demand for white rice was quiet, as prices remained high. However, some exporters are reportedly offering lower prices to induce demand despite their expensive stock accumulated a couple of months ago.

Meanwhile, prices of fragrant rice are under downward pressure due to an influx of the second crop supply of "Pathumthani 1" fragrant rice, which is cultivated intensively in Central Plain due to relatively more attractive return compared to white rice. "Pathumthani 1" fragrant rice could be blended with traditional fragrant rice for exports, creating export prices that are reportedly lower than traditional fragrant rice by US\$ 100-120/ton. However, "Pathumthani 1" is not treated as Thai Homali rice. As for parboiled rice, exports slowed down as Nigerian buyers stopped buying after the surge in prices of some exporters' quotation. Trade sources reported that the exceptional demand from Nigeria in the previous week resulted from an attractive softening prices a few week ago.

The Thai Commerce Minister's controversial idea on the importation of low quality rice from neighboring countries (Burma, Laos, and Cambodia) a month ago continued to be pressed on the President of Thai Farmer Association. However, the Thai Farmer Association and the Thai Rice Mill Association maintain their strong opposition to this idea, as it will adversely affect domestic prices by 300-400 Baht/ton (roughly US\$ 8-10/ton). Moreover, this low quality rice will likely be blended with domestic rice for more profit margins in their exports. Trade sources expect that this proposal on rice importation is unlikely to be approved by the government's Committee of Rice Policy.

The following are reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO
	(MT)	(MT)	(TMT)	(TMT)
MAY 2	157,639	135,395	2,116	1,390
MAY 9	157,567	142,829	2,272	1,446
MAY 16	184,048	165,734	2,456	1,514
MAY 23	138,473	159,432	2,594	1,597
MAY 30	157,666	159,439	2,752	1,714
JUN 6	171,411	162,900	2,923	1,796
JUN 13	178,740	161,573	3,102	1,902
JUN 20	181,515	172,333	3,283	1,985

*Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.*

Unofficial exports (excluding fragrant rice) for Jun 14-20, 2004 totaled 181,515 tons, up 2,775 tons from the previous week's total and up 9,182 tons from the four-week moving average of 172,333 tons. Exports during Jan 1 – Jun 20, 2004 totaled 3,283,496 tons, compared with 1,985,443 tons during the same period in 2003.

According to the Department of Internal Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan 1- Jun 3, 2004, amounted to 3,787,230 tons, up 37.7 percent from 2,750,705 tons in the previous year.

### Weekly Rice Sales

Private registered rice export sales for the period of May 31 – Jun 4, Jun 7-11, and Jun 14-18, 2004 are as follows:

Movement (MT)	May 31 – Jun 4	Jun 7-11	Jun 14-18
weekly sales	121,229	273,676	219,152
4 week sum	741,413	812,016	790,715
4 week mov. avg.	185,353	203,004	197,679
Total weekly sales	3,717,053	3,990,729	4,209,881

End of Report.